



Punjab Government Gazette

EXTRAORDINARY

Published by Authority

CHANDIGARH, MONDAY, MARCH 2, 2026 (PHALGUNA 11, 1947 SAKA)

GOVERNMENT OF PUNJAB
DEPARTMENT OF LOCAL GOVERNMENT

(Local Government-3 Branch)

NOTIFICATION

The 2nd March, 2026

No. 02/02/2020-1LG3/270.- In exercise of the powers conferred by section 4 of the Punjab Management and Transfer of Municipal Properties Act, 2020 (Punjab Act No. 8 of 2020) and other powers enabling him in this behalf, the Governor of Punjab is pleased to issue the following Directives:

These pertain to transfer of the Municipal Properties to various Departments of the Government of Punjab including all its PSU's / Boards / Corporations / Public Entities etc. to be utilised for public purposes. The Department of Local Government, Punjab is receiving number of proposals from different Urban Local Bodies to sell or lease of the Municipal Properties to other Departments of the State of Punjab especially for constructions of the Schools, Hospitals, Playground & stadium / sports nursery or setting up of Sewage Treatment Plants by Punjab Water Supply and Sewerage Board etc. or any other utility of high public importance. Section 4 of the Punjab Management and Transfer of Municipal Properties Act, 2020 has specific provision for sale of residential and commercial Properties and it further authorises the State Government to frame Directives for Transfer of other Municipal Properties. There is also a specific provision in the Punjab Management and Transfer of Municipal Properties Rules, 2021 to allot land of any urban local body to a charitable social institution or for different national and regional political parties for setting up of their offices, at reserve sale price. However, there is no express provision for transfer of the Municipal Properties to the Punjab Government Departments of its PSU's / Board / Corporations / Public Entities etc. for public purposes. Non-availability of such Directives under section 4 of the Act were causing hinderance in public welfare projects.

After considering the matter, the Department of Local Government has formulated these Directives for transfer of the Municipal Properties to various Departments of Government of Punjab including all its PSU's / Boards / Corporations / Public Entities etc. for public purposes, in the manner as detailed below:

A. ELIGIBILITY

All proposals for transfer of any Municipal Property shall contain a comprehensive description of the requirement of the land by the concerned Department or its PSU / Board / Corporations / Public Entities etc

which shall include the following :

- a. Nature and use of the said property.
- b. Area of land, dimensions along with Map / Layout Plan.
- c. Approximate count / percentage of total public of municipality which would be benefitted.
- d. Any other similar facility / utility etc. previously existing in the area / locality and its effect.
- e. Benefit to public with that transfer vis-a-viz similar benefit from private body, if it so exists.
- f. Undertaking that the land shall not be used for any profit taking activity.
- g. Time frame for achievement of the said public purpose.
- h. Specify whether the land is being sought for allotment or for lease
- i. Specify the tentative budget / funds available with the Department

Note : All concerned Departments or its PSUs / Boards / Corporations / Public Entities etc. and the municipal shall submit their separate statements in this regard.

B. APPLICABILITY

This Policy is applicable only to Departments of the Government of Punjab including its PSU's / Board / Corporations / Public Entities etc. requiring municipal land for larger public interest of high importance.

C. PROCEDURE FOR ALLOTMENT

1. In the first instance, the concerned Department or its PSU / Board / Corporation / Public Entity etc. and municipality shall prepare the proposal of transfer of any Municipal Property containing requirements in Point 'A' of the policy.
2. The applicant shall send a proposal to the concerned Commissioner in case of any Municipal Corporation or Additional Deputy Commissioner (Urban Development / General) in case of any Urban Local Body including any Improvement Trust.
3. All such applications so received shall be scrutinized and placed before a Committee, known as the District Price Fixation Committee, comprising of the following:

i	Deputy Commissioner of concerned District	Chairman
ii	Member(s) of Parliament, and all Member(s) of the Legislative Assembly (or his authorised nominees), whose constituency comprises whole or part of the area of Municipality whose land is being sought.	Member
iii	Mayor / President / Chairman of Municipality / Improvement Trust concerned.	Member
iv	Commissioner, Municipal Corporation / Additional Deputy Commissioner (Urban Development / General) of concerned District	Member
v	District Revenue Officer of the concerned District	Member
vi	Field Town Planner of the concerned Urban Local Body	Member
vii	Superintendent Engineer of the concerned Urban Local Body	Member

- | | | |
|------|--|-----------------|
| viii | Representative of the applicant Department or its PSU etc not below the rank of Superintendent Engineer / Superintendent of Police / General Manager or equivalent | Member |
| ix | Executive Officer / Assistant Commissioner of the concerned Urban Local Body | Member Convenor |
| x | The Chairman of the Committee is empowered to co-opt more members as required, depending on the circumstances | |
4. The above Committee shall look into all pros & cons of each proposal and thereafter shall make its specific recommendations within a period of one month.
 5. The Committee shall note down its specific comments with regard to the purpose of the project for which land is being acquired and specify clearly the reasons for considering the project for being of high public importance. Subsequently, the Committee shall specify whether the land is being transferred by way sale / allotment or lease on auction, and subsequently specify the price for such transfer i.e reserve price or collector rates or for any other lessor price or free of cost. The Committee shall give its independent reasoning for the same. The following entity purposes and prices of land may be considered by the committee:-

Sr. no.	Entity	Rates
1	Public Sector Undertaking of the State having commercial activities	Reserve Price decided by District Price Fixation Committee
2	Other Department of the State of Punjab for setting of offices/buildings for public work.	Collector rate
3	School Education, Hospital, Sports Department of Punjab Government for setting up of Schools or sports Grounds	Collector rate or any other lesser price or free of cost as per requirement and benefit to General Public as proposed by district price fixation committee.
- Note : Reserve Price and Collector Rate shall be the price / rate as defined and explained under Punjab Management & Transfer of Municipal Properties Act, 2020*
6. The price of the allotted / transferred land shall be fixed by this Committee citing specific reasons for concessions granted, if any.
 7. While determining the consideration for transfer of the said land, provisions of the Punjab Management and Transfer of Municipal Properties Act / Rules shall be followed, in particular section 7 and rule 11 respectively.
 8. The recommendations of the Committee shall include the conditions of allotment / transfer of the site to the concerned Department or its entity, which shall thereafter be placed before the General House of the concerned municipality for decision as per section 13 of The Punjab Management & Transfer of Municipal Properties Act, 2020.
 9. Consequent to the approval of the General House, the proposal shall be forwarded to the State Government for its consideration and approval.

D. TERMS & CONDITIONS OF THE ALLOTMENT

1. Terms and Conditions of the Allotment shall be framed by the concerned Municipality and shall be approved by the House of concerned ULB in accordance with the public purpose of the transfer.
2. The allottee Department shall not have any right to further sell or lease or in any manner dispose off the said Municipal Property.
3. In case the land is not utilised for the said purpose within a year from the date of allotment, the same shall be transferred back to the Municipality concerned. However, this time-frame can only be extended by one year with the approval of the Minister Incharge and further extended by one year with the prior approval of the Chief Minister, Punjab only. No further extension shall be allowed and the allotment shall automatically lapse.

Note: For the purpose of this condition, the term 'utilised' includes the commencement of construction or civil works for the purpose the land is allotted.

4. The fee structure and norms for raising construction shall be as per Punjab Municipal Building Bye Laws and instructions issued by Department of Local Government from time to time to be deposited by the concerned Department / allottee within a given time frame. All provisions of applicable laws shall be meticulously adhered by the concerned Department / Entity.

E. FINAL APPROVAL

1. After completion of all formalities given in these Directives and after the approval of the proposal in General House of the municipality under Section 13 of the Punjab Management and Transfer of Municipal Properties Act, 2020, the matter shall be put up before the Minister In-Charge for final approval.
2. The Minister In-Charge may accept the proposal in toto or may also impose or amend any condition including concessions.
3. In case of any doubt in interpretation of any provision of this policy, such matters shall be referred to the Administrative Secretary, Department of Local Government, Punjab and his / her decision shall be final and binding.

Sd/-

MANJIT SINGH BRAR, IAS
Secretary to Government of Punjab
Department of Local Government

Chandigarh